

Message Text

CONFIDENTIAL

PAGE 01 STATE 016784 TOSEC 010172

62

ORIGIN SS-25

INFO OCT-01 ISO-00 SSO-00 CCO-00 /026 R

DRAFTED BY EB:ORF:FSE:RRMARTIN:LER

APPROVED BY EB - THOMAS O. ENDERS

EB/ORF/FSE - LAWRENCE RAICHT

EUR/RPE - MR. ALBRECHT

S/S:DMACK

----- 114499

O 230232Z JAN 76 ZFF4

FM SECSTATE WASHDC

TO USDEL SECRETARY IMMEDIATE

C O N F I D E N T I A L STATE 016784 TOSEC 010172

EXDIS TO THE SECRETARY FROM ENDERS, EB

E.O. 11652: GDS

TAGS: ENRG

SUBJECT: ACTION MEMORANDUM FOR THE SECRETARY ON THE IEA
LONG TERM AGREEMENT (S/S NO.7601427)

1. IT IS ESSENTIAL THAT THE IEA GOVERNING BOARD ADOPT
THE LONG TERM PROGRAM AT ITS MEETING ON JANUARY 29-30.
ANY FURTHER DELAY IN REACHING FINAL AGREEMENT COULD LEAD
TO THE GRADUAL UNRAVELING OF THE LONG TERM PACKAGE, AND
WEAKEN THE CONSUMER POSITION AS WE GO INTO THE DIALOGUE.

BACKGROUND:

2. CANADA AND NORWAY HAVE INDICATED PROBLEMS WITH CERTAIN
PARTS OF THE DRAFT AGREEMENT. CANADA, ON BASICALLY
CONSTITUTIONAL GROUNDS, CANNOT PROVIDE A COMMITMENT THAT
ENSURES OTHER IEA COUNTRIES NON-DISCRIMINATORY ACCESS TO
ITS ENERGY RESOURCES. NORWAY IS CONCERNED THAT THE
ABSENCE OF A COMMUNITY REGIME ON MSP MIGHT PREVENT
NORWEGIAN OIL BEING ACCORDED PREFERENCE UNDER THE EC
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 016784 TOSEC 010172

SYSTEM. WE ARE WORKING WITH DAVIGNON TO FIND ACCEPTABLE

SOLUTIONS TO BOTH THESE PROBLEMS.

3. TO PREVENT THE PACKAGE FROM UNRAVELING, WE MUST TAKE IMMEDIATE STEPS TO DISCOURAGE ANY TENDENCY FOR OTHER COUNTRIES TO SEEK SPECIAL EXCEPTIONS, OR TO BRACKET

LANGUAGE (AS THE DANES ARE APPARENTLY CONTEMPLATING). THIS COULD RESULT IN POSTPONEMENT OF A DECISION BEYOND NEXT WEEK'S MEETING AND MAKE OUR POSTURE IN THE DIALOGUE LESS CREDIBLE TO PRODUCERS. WE HAVE INSTRUCTED OUR EMBASSIES IN IEA CAPITALS TO STRESS OUR CONCERN THAT COUNTRIES BE PREPARED TO FORMALLY ADOPT THE LONG TERM PROGRAM AT THE GB MEETING NEXT WEEK, BUT A FURTHER INDICATION FROM YOU OF OUR COMMITMENT TO THE PROGRAM AND ITS ADOPTION AT THE FORTHCOMING GOVERNING BOARD MEETING WOULD HELP DEFLECT THE PROBLEM POSED BY THE CANADIANS AND A PROBABLE RESERVATION BY THE NORWEGIANS AND WOULD BE DECISIVE IN KEEPING IN LINE WAVERING COUNTRIES SUCH AS DENMARK. A KEY PROBLEM IS THE DEGREE OF CANADA'S COMMITMENT TO LONG TERM COOPERATION IN VIEW OF ITS PLANNED RESERVATION ON THE ACCESS ISSUE. THE CANADIANS HAVE APPARENTLY NOT STRESSED THIS STRONGLY ENOUGH, PARTICULARLY WITH THE JAPANESE. WE WILL WORK ON JAPAN'S PROBLEM DIRECTLY.

RECOMMENDATION:

4. I RECOMMEND THAT IN YOUR BRUSSELS MEETING YOU RAISE THIS ISSUE WITH CANADA, NORWAY AND DENMARK ALONG THE FOLLOWING LINES:

-- PROMPT ADOPTION BY THE IEA OF THE LONG TERM PROGRAM IS ESSENTIAL TO THE CONTINUED VITALITY OF CONSUMER COOPERATION

-- WE BELIEVE THAT THE PROGRAM AS IT NOW STANDS PROVIDES AN EQUITABLE BALANCE OF COSTS AND BENEFITS AMONG THE IEA MEMBERS. WE TOO HAVE DIFFICULTIES WITH SOME COMMITMENTS IT CONTAINS, BUT WE ARE PREPARED TO ACCEPT
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 016784 TOSEC 010172

IT FULLY AND BELIEVE IT SHOULD BE FORMALLY ADOPTED BY THE IEA ON JANUARY 29.

-- THE UNITED STATES UNDERSTANDS THE CONCERNS OF OTHER IEA COUNTRIES GENERATED BY THE CANADIAN REQUEST FOR AN EXCEPTION TO THE ACCESS PROVISIONS OF THE AGREEMENT. THE UNITED STATES IS MOST CLEARLY AFFECTED BY THIS EXCEPTION NEVERTHELESS WE ARE SATISFIED THAT THE

CANADIAN CASE IS SUI GENERIS AND ARE PREPARED TO ACCEPT IT ON THAT BASIS. WE ALSO ATTACH GREAT IMPORTANCE TO THE FACT THAT CANADA WILL ACCEPT THE GUIDING PRINCIPLES FOR PROJECT-BY-PROJECT COOPERATION AND BELIEVE THAT THESE OFFER SUBSTANTIAL POTENTIAL FOR ACCESS TO CANADIAN ENERGY OPPORTUNITIES BY OTHER IEA COUNTRIES.

-- IT IS VITAL THAT, AS WE PROCEED INTO A DIALOGUE WITH OPEC AND OTHER LDCS IN THE CIEC ENERGY COMMISSION, WE HAVE THE LONG TERM PROGRAM FORMALLY IN PLACE AS AN ESTABLISHED FRAMEWORK FOR OUR CONTINUING COOPERATION AMONG OURSELVES.

APPROVE

DISAPPROVE

DRAFTED BY:EB-ORF-FSE:RRMARTIN; CLEARED BY: EUR-RPE:

ALBECHT; EB:ENDERS.

ROBINSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TOSEC, AGREEMENT DRAFT, ENERGY, DEVELOPMENT PROGRAMS, INTERGOVERNMENTAL COOPERATION
Control Number: S7601427
Copy: SINGLE
Draft Date: 23 JAN 1976
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE016784
Document Source: CORE
Document Unique ID: 00
Drafter: ORF:FSE:RRMARTIN:LER
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760025-0558
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760127/aaaaaxkk.tel
Line Count: 133
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 30 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 MAR 2004 by KelleyW0>; APPROVED <28 JUL 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ACTION MEMORANDUM FOR THE SECRETARY ON THE IEA LONG TERM AGREEMENT (S/S NO.7601427)
TAGS: ENRG, US, CA, NO, DA, IEA
To: SECRETARY
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006